

TITLE IV – WOOL TRUST FUND

SEC. 4001. SHORT TITLE.

This title may be cited as the “Wool Suit and Textile Trade Extension Act of 2004”.

SEC. 4002. EXTENSION AND MODIFICATION OF DUTY SUSPENSION ON WOOL PRODUCTS, WOOL RESEARCH FUND, WOOL DUTY REFUNDS.

(a) EXTENSION OF TEMPORARY DUTY REDUCTIONS.--

(1) HEADING 9902.51.11.--Heading 9902.51.11 of the Harmonized Tariff Schedule of the United States is amended—

(A) in the article description, by striking “all the foregoing” through the end and inserting “(provided for in subheading 5112.11.60 or 5112.19.95)”;

(B) by striking “2005” and inserting “2007”; and

(C) by striking “17.5%” and inserting “10%”.

(2) HEADING 9902.51.12.--Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by striking heading 9902.51.12.

(3) HEADING 9902.51.13.--Heading 9902.51.13 of the Harmonized Tariff Schedule of the United States is amended by striking “2005” and inserting “2007”.

(4) HEADING 9902.51.14.--Heading 9902.51.14 of the Harmonized Tariff Schedule of the United States is amended--

(A) in the article description, by inserting “the foregoing” after “top,”; and

(B) by striking “2005” and inserting “2007”.

(5) FABRICS OF COMBED WOOL.--Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following:

9902.51.15	Fabrics of combed wool, containing 85 percent or more by weight of wool, with wool yarns of average fiber diameters of 18.5 micron or less, under the terms of U.S. note 16(b) to this subchapter (provided for in subheading 5112.11.30 or 5112.19.60)	Free	No change	No change	On or before 12/31/2006
9902.51.16	Fabrics of combed wool, containing 85 percent or more by weight of wool, with wool yarns of average fiber diameters of 18.5 micron or less, under the terms of U.S. note 17 to this subchapter (provided for in subheading 5112.11.30 or 5112.19.60)	Free	No change	No change	On or before 12/31/2006

(b) MODIFICATION OF LIMITATION ON QUANTITY OF IMPORTS.--

(1) NOTE 15.--U.S. Note 15 to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking “The aggregate” and inserting:

“(a) The aggregate”;

(B) in subdivision (a), as redesignated by subparagraph (A)--

(i) by striking the comma after “9902.51.11”;
(ii) by striking “and” after “2002,”; and
(iii) by striking “year 2003” and all that follows through the end period and inserting the following: “years 2003 and 2004, and 5,500,000 square meter equivalents in calendar year 2005 and each calendar year thereafter for the benefit of persons who cut and sew men's and boys' worsted wool suits and suit-like jackets and trousers in the United States, allocated as required by section 501(e) of the Trade and Development Act of 2000.”; and

(C) by adding at the end the following new division:

“(b) For purposes of heading 9902.51.11, all fabrics entered under such heading must be certified by the importer as suitable for use in making men's and boys' suits (as defined in U.S. note 13 to this subchapter), suit-type jackets, or trousers and must be imported for the benefit of persons who cut and sew such clothing in the United States.”.

(2) NOTE 16.--U.S. Note 16 to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended--

(A) by striking “The aggregate” and inserting “(a) The aggregate”;

(B) in subdivision (a), as redesignated by subparagraph (A)--

(i) by striking “9902.51.12,” and inserting “9902.51.15”;

(ii) by striking “and” after “2002,”; and

(iii) by striking “year 2003” and all that follows through the end period and inserting the following: “years 2003 and 2004, 5,000,000 square meter equivalents in calendar year 2005 and each calendar year thereafter, allocated as required by section 501(e) of the Trade and Development Act of 2000 for the benefit of persons who cut and sew such clothing in the United States.”; and

(C) by adding at the end the following new subdivision:

“(b) For purposes of heading 9902.51.15, all fabrics entered under such heading must be certified by the importer as suitable for use in making men's and boys' suits (as defined in U.S. note 13 to this subchapter), suit-type jackets, or trousers and must be imported for the benefit of persons who cut and sew such clothing in the United States.”.

(3) NOTE 17.--The U.S. Notes for subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States are amended by adding at the end the following new Note:

“17. (a) The aggregate quantity of worsted wool fabric entered under subheading 9902.51.16 shall be limited to 2,000,000 square meter equivalents in calendar year 2005 and each calendar year thereafter, allocated in accordance with section 501(e) of the Trade and Development Act of 2000 for the benefit of persons who weave worsted wool fabric suitable for use in men's and boys' suits.

“(b) For purposes of heading 9902.51.16, all fabrics entered under such heading must be certified by the importer as suitable for use in making men's and boys' suits (as defined in U.S. note 13 to this subchapter), suit-type jackets, or trousers and must be imported for the benefit of persons who weave in the United States worsted wool fabric suitable for use in such clothing.”.

(4) CONFORMING AMENDMENTS.--

(A) SUNSET STAGED REDUCTION REQUIREMENT.--Section 501(a)(2) of the Trade and Development Act of 2000 (Public Law 106-200; 114 Stat. 299) is amended by inserting before the period “for goods entered, or withdrawn from warehouse for consumption, before January 1, 2005”.

(B) ALLOCATION OF TARIFF-RATE QUOTAS.--Subsection (e) of section 501 of the Trade and Development Act of 2000 is amended--

(i) by striking “9902.51.12” and inserting “9902.51.15”;

(ii) by inserting “for manufacturers of men's and boys' suits” after “implementing the limitation”; and

(iii) by inserting at the end the following new sentence: “In implementing the limitation for manufacturers of worsted wool fabric with respect to the quantity

of worsted wool fabrics under heading 9902.51.16 of the Harmonized Tariff Schedule of the United States, as required by U.S. Note 17 of subchapter II of chapter 99 of such Schedule, the Secretary of Commerce shall prescribe regulations to allocate fairly the quantity of worsted wool fabrics required under U.S. Note 17 of such Schedule to manufacturers who weave worsted wool fabric in the United States.”.

(C) SUNSET AUTHORITY TO MODIFY LIMITATION ON QUANTITY.--

Section 504(b) of the Trade and Development Act of 2000 (Public Law 106-200; 114 Stat. 301) is repealed, effective January 1, 2005.

(c) EXTENSION OF DUTY REFUNDS AND WOOL RESEARCH TRUST FUND.--

(1) ESTABLISHMENT OF TRUST FUND.--There is hereby established within the Treasury of the United States a trust fund to be known as the Wool Apparel Manufacturers Trust Fund (in this subsection referred to as the “Trust Fund”), consisting of such amounts as may be transferred to the Trust Fund under paragraph (2).

(2) TRANSFER OF AMOUNTS.--

(A) IN GENERAL.--The Secretary of the Treasury shall transfer to the Trust Fund, out of the general fund of the Treasury of the United States, amounts determined by the Secretary of the Treasury to be equivalent to the amounts received in the general fund that are attributable to the duty received on articles classified under chapter 51 of the Harmonized Tariff Schedule of the United States, subject to the limitation in subparagraph (B).

(B) LIMITATION.--In any fiscal year, the Secretary shall not transfer more than the amount determined by the Secretary necessary for the Bureau of Customs and Border Protection to make payments authorized under paragraph (3) and the Secretary of Commerce to make grants under paragraph (6).

(3) AVAILABILITY OF AMOUNTS FROM TRUST FUND.--From amounts in the Trust Fund, the Bureau of Customs and Border Protection shall pay to each manufacturer that receives a payment during calendar year 2005 under section 505 of the Trade and Development Act of 2000 (Public Law 106-200; 114 Stat. 303), as amended by section 5101 of the Trade Act of 2002 (116 Stat. 1041), and that provides an affidavit, no later than March 1 of the year of the payment, that it remains a manufacturer in the United States as of January 1 of the year of the payment, 2 additional payments, each payment equal to the payment received for calendar year 2005 as follows:

(A) The first payment to be made after January 1, 2006, but on or before April 15, 2006.

(B) The second payment to be made after January 1, 2007, but on or before April 15, 2007.

(4) SUCCESSOR-IN-INTEREST.--Any manufacturer that becomes a successor-in-interest to a claimant of a payment under section 505 of the Trade and Development Act of 2000, as amended by section 5101 of the Trade Act of 2002, because of--

(A) an assignment of the claim,

(B) an assignment of the original claimant's right to manufacture under the same trade name, or

(C) a reorganization,

or otherwise, shall be eligible to claim the payment as if the successor manufacturer were the original claimant, without regard to section 3727 of title 31, United States Code. Such right to claim payment as a successor shall be effective as if the right were included in section 505 of the Trade and Development Act of 2000.

(5) EXTENSION OF WOOL RESEARCH, DEVELOPMENT, AND PROMOTION TRUST FUND.--Section 506(f) of the Trade and Development Act of 2000 (Public Law 106-200; 114 Stat. 303), as amended by section 5102(c)(2) of the Trade Act of 2002 (116 Stat. 1047), is amended by striking “2006” and inserting “2008”.

(6) COMMERCE AUTHORITY TO PROMOTE DOMESTIC EMPLOYMENT.--

(A) GRANTS TO MANUFACTURERS OF WORSTED WOOL FABRICS.--The

Secretary of Commerce shall provide to--

(i) persons who were, during calendar years 1999, 2000, and 2001, manufacturers of worsted wool fabric of the kind described in heading 9902.51.12 of the Harmonized Tariff Schedule of the United States (as in effect on the day before the date of the enactment of this Act), and

(ii) persons who were, during such calendar years, manufacturers of worsted wool fabric of the kind described in heading 9902.51.11 of the Harmonized Tariff Schedule of the United States, grants in each of calendar years 2005 through 2007 in the amounts determined under subparagraph (B).

(B) AMOUNTS.--(i) The total amount of grants to manufacturers under subparagraph (A)(i) shall be \$2,666,000 each calendar year, allocated among such manufacturers on the basis of the percentage of each manufacturer's production of the fabric described in heading 9902.51.12 of the Harmonized Tariff Schedule of the United States (as in effect on the day before the date of the enactment of this Act) for calendar years 1999, 2000, and 2001, compared to the production of such fabric by all such manufacturers who qualify under subparagraph (A)(i) for such grants.

(ii) The total amount of grants to manufacturers under subparagraph (A)(ii) shall be \$2,666,000 each calendar year, allocated among such manufacturers on the basis of the percentage of each manufacturer's production of the fabric described in heading 9902.51.11 of the Harmonized Tariff Schedule of the United States for calendar years 1999, 2000, and 2001, compared to the production of such fabric by all manufacturers who qualify under subparagraph (A)(ii) for such grants.

(iii) Any grant awarded by the Secretary under this paragraph shall be final and not subject to appeal or protest.

(d) EFFECTIVE DATE FOR DUTY REDUCTION.--The amendment made by subsection (a)(1)(B) shall apply to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2005.